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OFFICE OF THE AUDITOR GENERAL
AREA AUDITOR GENERAL - LATIN AMERICA

AUDIT REPORT
FAMILY PLANNING
EL SALVADOR

Period Covered by Audit:
July 1, 1973, through
September 30, 1974

Audit Report No. 1-519-75-33
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AUDIT REPORT
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I. INTRODUCTION

The Family Planning and Health Service Program in El Salvador was initiated in 1966 to create awareness of the population problem and encourage family planning. The operation was reviewed to evaluate the effectiveness with which management is using agency resources to accomplish established project goals.

II. SUMMARY

Overall, the family planning program in El Salvador has been well managed. In addition to bilateral assistance, several A.I.D. -supported intermediary organizations provide financial assistance to the Salvadoran Demographic Association. Use of the intermediaries creates some redundancy and confusion in funding channels.

It also creates a void in monitorship since the Mission has no oversight responsibility for programs sponsored by intermediaries. Under one such program, the Demographic Association had accumulated an 8-year supply of oral contraceptives. We found no case of serious supply abuse in the Mission-monitored family-planning programs in the Ministry of Health or Institute of Social Security.

The Social Security Institute recently installed a management information system that will generate data needed for planning and evaluation. Data generated by the Ministry of Health is incompatible. The Mission continues to press for adoption of the Institute's system.

The most serious obstacle to further growth is Government resistance to the use of paramedical personnel in family-planning clinics to compensate for the shortage of doctors. This problem has been recognized at all levels of management in A.I.D.

The Mission expressed complete agreement with this report. Comments of the A.I.D. Washington office of Population have been incorporated in Part III of the report.

III. STATEMENT OF FINDINGS AND RECOMMENDATIONS

The Role of the Intermediaries in El Salvador

The several channels through which A.I.D. feeds support to the Salvadoran Demographic Association are redundant and confusing. Combining bilateral and multilateral support as has been done in El Salvador tends to cloud lines of responsibility and dilute the efforts of mission-level management. There are some signs that management efficiency has suffered as a result.

In 1973, the Salvadoran Demographic Association received \$107,462 in direct financial support under the bilateral program. Three A.I.D. -supported intermediary organizations also provided financial support:

International Planned Parenthood Federation	\$ 127,391
The Pathfinder Fund	12,930
Population Council	53,194

The Association expects to receive funds from the same sources in 1974.

As we understand it, Mission responsibility for monitoring the Association ends with the bilateral program. Moreover, the grant agreement with the International Planned Parenthood Federation rules out audit of sub-grants to the Federation's affiliates by A.I.D. In the case of El Salvador, however, A.I.D. auditors have easy access to the Association's records through the bilateral program.

The principal argument for using intermediaries is that some countries are unreceptive to the the bilateral approach. But in El Salvador, A.I.D. has given direct bilateral assistance to both the Federation's Salvadoran affiliate and the government of El Salvador. Most A.I.D. -furnished family-planning assistance to El Salvador has been provided under direct bilateral programs.

Recently, intermediary organizations have limited their support of the Association to financial assistance or commodities in kind. Technical visits have been infrequent.

There is evidence that capable mission monitorship does pay off. For example, we found no case of serious supply excesses or shortages in the bilaterally-supported government family-planning programs in the Ministry of Health or Institute of Social Security. On the other hand, the Demographic Association had accumulated significant excesses under an unmonitored, A.I.D. -supported supply program (see page 3).

Continuing the present complex method of support to the Salvadoran Demographic system seems pointless; however, we are withholding recommendation on this subject pending completion of other audits programmed in Latin America.

The Office of Population commented as follows:

"The Congress and our signature to the World Plan of Action (Population) Bucharest, 1974, provide for the use of intermediaries. With reductions in A.I.D.'s direct-hire staff, the use of intermediaries will probably increase. It is time, however, for an International Planned Parenthood Federation affiliate which receives A.I.D. funds through any other conduit than International Planned Parenthood Federation/London to be subject to A.I.D. audit. It is likely that our next grant amendments will provide for this. Meanwhile, field population offices are being advised that they must be aware of International Planned Parenthood Federation affiliate activities and management."

Commodity Management

In early October 1974, the Salvadoran Demographic Association had enough A.I.D. furnished oral contraceptives on hand and on order to last about 8 years. The Association's Executive Director was unable to explain the overstockage. Representatives of the Western Hemisphere Headquarters of the International Planned Parenthood Federation were aware of the problem. They told us that they planned to stop shipments to El Salvador and try to redistribute the excess to other Federation affiliates.

On October 6, 1974, the Demographic Association had 312,533 cycles of Norinyl on hand and on order. (On-order stock was already in transit.) Recent usage has averaged about 3,800 cycles a month. At that rate, it will take more than 8 years to exhaust the stock on hand and on order.

The Guatemalan program, on the other hand, is chronically short of supply. In Guatemala, the family planning supply system is jointly operated by the Government and the Federation's affiliate. From time to time, the Salvadoran Demographic Association lends commodities to Guatemala. Repayment is required in kind.

The declining role of the Demographic Association in clinical services may account for the oversupply. For the past several years, the Association has been transferring its clinics to the Ministry of Health. The Association is now down to two clinics: one in each of El Salvador's two largest cities. Presumably, many of the Association's former clients are now served by the Ministry of Health. Perhaps the computation of commodity requirements for the Association failed to take this shift of responsibility into account.

Computation of commodity requirements will be the subject of careful scrutiny in the next audit of the International Planned Parenthood Federation. Whatever the cause of the oversupply, these commodities should be redistributed without delay. Potential users should not be limited to other affiliates of the International Planned Parenthood Federation. (These commodities were purchased by A.I.D. and donated in kind to the Federation).

This matter was discussed with the Mission population officer who then reported it to the Office of Population in Washington.

In commenting on the draft report, the Office of Population indicated that corrective action has been initiated. As we understand it, redistribution of the excess commodities will be attempted within the International Planned Parenthood Federation. We find this approach somewhat narrow. In our opinion, redistribution should consider such factors as urgency of need and transportation cost.

Reporting

Until recently, neither the Ministry of Health or the Social Security Institute kept records on how many women were active in the family-planning program. In 1974, the Institute's A.I.D.-supported computer system for family-planning statistics became operational. But countrywide figures will still depend on estimates of active participants in the Ministry's program.

The Ministry of Health does accumulate and report data on family-planning. But no records are kept on how many new users remain active in the program. Estimates involve some guesswork.

Probably the most meaningful figures available on how many women are active in family planning were developed in the Demographic Association's recent fertility study. This study put the figure at 130,000 or 13 percent of an estimated target

population of 1 million women in the 15-to-49-year-old fertile age group. The Association's conclusions were based on a sample consisting of some 3,500 interviews.

At the time we completed our field work, the Social Security Institute's new computerized system had just begun to function. Qualified technicians who have worked on the system are confident that it will generate the data needed for planning and evaluating the Institute's family-planning activities.

Mission efforts to bridge the management information gap in family-planning have produced solid results. The Mission has been trying to convince the Ministry of Health to adopt the Institute's system. In our opinion, the problem has been handled prudently. Therefore, we make no recommendation here.

The Need for Paramedical Personnel

Expansion of family planning in El Salvador hinges on the acceptance of paramedical personnel. El Salvador's handful of physicians cannot hope to provide service to the estimated target population of 1 million fertile women. But the medical profession has steadfastly opposed the use of paramedical personnel in family planning clinics.

At present, new users of family-planning services must consult a physician on the initial visit to the clinic. El Salvador has a total of 991 doctors serving a population of 4,200,00 - one doctor per 4,239 people. Most doctors live and practice in urban areas. The more fertile rural population has little access to medical care of any kind. As it stands now, the requirement for consultation by a doctor is stifling further growth of the family-planning program in El Salvador.

Harbor General Hospital in Los Angeles has developed a successful program for training paramedical personnel in the family-planning field. Studies by Harbor General show that most women seeking family-planning services are healthy and have no need to see a doctor. Harbor General's trainees are taught to identify abnormalities which do require a doctor's attention.

With A.I.D. support, four Salvadoran registered nurses have completed the Harbor General course. At the time we completed our field work, none had been permitted to practice.

Until this stalemate is broken, little progress can be expected in the family-planning program in El Salvador. This problem has been recognized at all levels of management in A.I.D. The Mission has been trying to convince the Ministry of Health to change its stand. Although there is no concrete sign of a breakthrough, we believe the Mission has followed the only sound approach to the problem. Therefore, we make no recommendation here.

IV. BACKGROUND AND SCOPE

With the population of approximately 4.2 million growing at an annual rate of 3.4 percent, El Salvador has one of the most severe demographic problems in the hemisphere. A.I.D.'s family planning program in El Salvador began in 1966. By September 30, 1974, the Mission had obligated \$2,825,000 for the project. Actual expenditures were \$2,622,000.

The Ministry of Public Health offers family-planning services in 137 health clinics and the Social Security Institute, in 30. The Salvadoran Demographic Association operates two model clinics; one in Salvador and one in Santa Ana. We visited 14 of the health clinics to review procedures and operations. The audit covered the period July 1, 1973, through September 30, 1974.

V. FOLLOW-UP ON PRIOR AUDIT REPORT

AG Audit Report No. 1-519-74-11, August 30, 1973, contained eight recommendations. All had been cleared.

EXHIBIT A

Distribution of Report

Mr. Edwin A. Anderson, Mission Director, USAID/El Salvador	-	2
State Department - Inspector General of Foreign Assistance (IGA)	-	1
State Department - Country Director, ARA-CEN	-	1
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